

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF OHIO  
WESTERN DIVISION**

MARY A. MARTIN, et al.,  
Plaintiffs,

Case No. 1:19-cv-142  
Litkovitz, M.J.

vs.

THE BANK OF NEW YORK,  
MELLON CORP., et al.,  
Defendants.

**ORDER**

Plaintiffs Mary A. Martin and Donald L. Parks, Jr., Ohio residents, brought this action against the Bank of New York Mellon Corporation and others on the basis of diversity jurisdiction under 28 U.S.C. § 1332. On November 16, 2020, the Sixth Circuit Court of Appeals remanded this matter to the undersigned to determine whether subject-matter jurisdiction exists on the basis of complete diversity such that the pending appeal may continue. (Doc. 31). At issue is whether the citizenship of named defendant Litton Loan Servicing LP (Litton) was diverse from that of the plaintiffs such that the Court had jurisdiction when suit was filed.

To determine the citizenship of a partnership, LLC, or other unincorporated entity, a party must look to the citizenship of each partner/member of the entity. *Carden v. Arkoma Assocs.*, 494 U.S. 185, 195 (1990). Further, pursuant to 28 U.S.C. § 1332(c)(1), a corporation shall be deemed to be a citizen of every State and foreign state by which it has been incorporated and of the State or foreign state where it has its principal place of business. The parties have submitted a joint status report addressing the issue on remand:

Plaintiffs subpoenaed certain information and documentation from Ocwen Capital Management, LLC, which had or has a partnership interest in Litton. The response to the subpoena have allowed the parties to report that diversity jurisdiction exists between Plaintiffs and Litton such that the appeal in the present matter may continue. A breakdown of the make-up of Litton is below.

Litton is a Delaware limited partnership with its principal place of business in Texas. As mentioned above, in order to determine citizenship, an examination of the partners is necessary. There are two timelines. First, at the time of the Complaint and prior to January 1, 2021, Ocwen Financial Corporation (“OFC”) was Litton’s limited partner and Ocwen Capital Management LLC (“OCM”) was its general partner. OFC is a Florida corporation and maintains no offices in Ohio. OCM is a Delaware limited liability company which is a wholly-owned subsidiary of OFC. OCM’s principal place of business is in Florida. OCM maintains no offices in Ohio. Thus, Litton’s partners as of the filing of the Complaint herein were residents of Delaware and Florida. Plaintiffs were and are residents of Ohio.

At present, and after January 1, 2021, PHH Mortgage Corporation (“PHH Mortgage”) is Litton’s limited partner, and PHH Mortgage Capital LLC (“PHH Capital”) is its general partner. PHH Mortgage is [a] New Jersey corporation and maintains no offices in Ohio. PHH Capital is a Delaware limited liability company which is a wholly-owned subsidiary of PHH Mortgage. PHH Capital’s principal place of business is in New Jersey. PHH Capital maintains no offices in Ohio. Thus, Litton’s partners at present are residents of New Jersey (and arguably Delaware, as the state of registration of PHH Capital). Plaintiffs were and are residents of Ohio.

(Doc. 39 at PAGEID 608).

On July 8, 2021, Litton filed its corporate disclosure pursuant to Fed. R. Civ. P. 7.1, stating as follows:

Litton Loan Servicing, LP states it is a Delaware corporation. Litton Loan Servicing, LP’s current partners are PHH Mortgage Corporation (limited partner) and PHH Capital Mortgage LLC (general partner). The sole member of PHH Capital Mortgage LLC is PHH Mortgage Corporation. PHH Mortgage Corporation is a New Jersey corporation which is a wholly owned subsidiary of PHH Corporation. PHH Corporation is a Maryland corporation which is a wholly owned subsidiary of Ocwen Financial Corporation. Ocwen Financial Corporation is a publicly traded company registered in Florida. No public companies own more than ten percent of Ocwen Financial Corporation’s stock.

(Doc. 43). Additional information submitted by plaintiffs indicates that Ohio is not the principal place of business for Litton’s constituent partners. (Doc. 44, Exs. A-C).

Finally, as the parties represent above, OCM is a Delaware limited liability company which is a wholly-owned subsidiary of OFC. OFC, at the time of the filing of the complaint, was incorporated in and had its principal place of business in Florida. *See* State of Florida Division

of Corporations, <http://search.sunbiz.org/> and Annual Reports dated 04/07/2018 and 04/10/2019 (last visited on July 26, 2021). “By definition, an LLC is owned by its members, so the Court understands this to mean that Ocwen Financial Corporation is [OCM’s] sole member.” *Cooper v. Bank of New York Mellon*, No. 3:13-cv-1985, 2014 WL 349577, at \*4 (N.D. Tex. Jan. 31, 2014). Accordingly, at the time this lawsuit was filed, the citizenship of the constituent members of Litton was not Ohio. Given that plaintiffs are Ohio residents, and Litton is not an Ohio resident, there is complete diversity among the parties.

A copy of this Order shall be provided to the Sixth Circuit Clerk of Court.

Date: 7/27/2021

s/Karen L. Litkovitz  
Karen L. Litkovitz  
United States Magistrate Judge